

**PERFORMANCE AGREEMENT
MADE AND ENTERED INTO BY AND BETWEEN:
KOUGA MUNICIPALITY
HEREIN REPRESENTED BY
MR. C DU PLESSIS
AND
MRS M ROSSOUW
EMPLOYED BY KOUGA MUNICIPALITY AS
ACTING DIRECTOR CORPORATE SERVICES
FOR THE PERIOD:
1 JULY 2022 TO 30 JUNE 2023**





- 2.1 Comply with the provisions of Section 57(1)(b),(4) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- 2.2 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance and accountabilities.
- 2.3 Specify accountabilities as set out in the Performance Plan.
- 2.4 Monitor and measure performance against set targeted outputs.
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing whether the Employee has met the performance expectations applicable to his job.
- 2.6 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

2. PURPOSE OF THIS AGREEMENT

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved and secure the commitment of the Employee to a set of outcomes that will ensure the achievement of local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4) and 57(5) of the Systems Act.

1. INTRODUCTION

WHEREBY IT IS AGREED AS FOLLOWS:



- 4.5 It is specifically agreed that in preparation of the implementation of standardized national key performance indicators for local government Integrated Development Plan.
- 4.4 The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's other.
- 4.3 The key objectives describe the main tasks that need to be performed. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 4.2 The performance objectives and targets reflected in the Performance Plan are set by the Employer in consultation with the Employee and are based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer and includes key objectives; key performance indicators; target dates and weightings.
- 4.1.1 The performance objectives and targets that must be met by the Employee; and
- 4.1.2 The time frames within which those performance objectives and targets must be met.
- 4.1 The Performance Plan attached to this Agreement sets out –

4. PERFORMANCE OBJECTIVES

- 3.3 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.
- 3.2 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.1 This Agreement will commence on the date of the acting appointment of the Employee and will remain in force for the duration of the Employee's contractual appointment.

3. DELIVERY

institutions, the performance plan of the Employee includes a section requiring the Employee, at the indicated intervals, to provide operational statistical information to be used as performance baselines for the 2023/24 financial year. The performance of the Employee shall not be measured on such information for the 2022/23 year.

5. PERFORMANCE MANAGEMENT SYSTEM

5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.

5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.

5.3 The Employer will consult with the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

6. THE EMPLOYEE AGREES TO PARTICIPATE IN THE PERFORMANCE MANAGEMENT SYSTEM THAT THE EMPLOYER ADOPTS.

6.1 The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPA's) (including special projects relevant to the employee's responsibilities) within the local government framework.

6.2 The Employee undertakes to submit performance evidence in a format the Employer may require at times and intervals as set out herein to enable the Employer to evaluate the performance of the Employee.

6.3 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.

6.3.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competencies Requirements (CCR's) respectively.

6.3.2 Each area of assessment will be weighted and will contribute a specific part to the total score.



CR No	Core Competency Requirement	Weight
Core Managerial Competencies		
1	Strategic Capability and Leadership	7
2	Programme and Project Management	5
3	Financial Management	5
4	Change Management	6
5	Knowledge Management	5
6	Problem Solving and Analytical Thinking	6
7	People and Diversity Management	7
8	Client Orientation and Customer Focus	7
9	Communication	5
10	Honesty and Integrity	7
Core Occupational Competencies		
11	Competence in Self-Management	6
12	Interpretation of and implementation within the legislative and national policy frameworks	5
13	Knowledge of Developmental Local Government	6
14	Knowledge of Performance Management and Reporting	5
15	Competence in policy conceptualization, analysis and implementation	6
16	Knowledge of more than one functional municipal field/discipline	5
17	Exceptional and dynamic creativity to improve the functioning of the municipality	7
TOTAL		100

6.4.1 The Core Competency Requirements provided for in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, R805 dated 1 August 2006 as listed hereunder will make up the other 20% of the Employee's assessment score:

KPA / Key Performance Area	Weight
1 Institutional Development and Transformation	35
2. Municipal Financial Viability and Management	25
3 Good Governance and Public Participation	25
4. Operational Targets	15
Total	100

6.4 The Employee's assessment will be based on his/her performance in terms of the outputs/outcomes (performance indicators) identified as per attached Performance Plan (Annexure A), which are linked to the KPAs, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

6.3.3 KPAs covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

7. PERFORMANCE EVALUATIONS

- 7.1 The Performance Plan annexed to this Agreement sets out –
 - 7.1.1 The standards and procedures for evaluating the Employee's performance; and
 - 7.1.2 The intervals for the evaluation of the Employee's performance.
- 7.2 Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.
- 7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 7.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan (IDP).
 - 7.5 The annual performance appraisal will involve:
 - 7.5.1 Assessment of the achievement of results as outlined in the performance plan:
 - 7.5.1.1 Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
 - 7.5.1.2 An indicative rating on the five-point scale should be provided for each KPA.
 - 7.5.1.3 The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.
 - 7.5.2 Assessment of the CCR's



7.5.2.1. Each CCR should be assessed according to the extent to which the specified standards have been met.

7.5.2.2. An indicative rating on the five-point scale should be provided for each CCR.

7.5.2.3. The applicable assessment rating calculator (refer to paragraph 7.5.3) must then be used to add the score and calculate a final CCR score.

7.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator which could also be incorporated in the performance management system utilized by the Employer. Such overall rating represents the outcome of the performance appraisal. The assessment of the performance of the Employee will be based on the following rating scale for KPAs and CCRs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective					





First Quarter :
 Submission of evidence : 15 October 2022
 Review : 29 October 2022
Second Quarter :
 Submission of evidence : 14 January 2023
 Review : 28 January 2023
Third quarter :
 Submission of evidence : 15 April 2023
 Review : 29 April 2023
January-March 2023 :

8.1 The performance of the Employee in relation to his performance agreement shall be reviewed on the following dates:

8. SCHEDULE FOR PERFORMANCE REVIEWS

1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
		results against all significant performance criteria and indicators as specified in the PA and Performance Plan.

Fourth quarter : April-June 2023
 Submission of evidence : 22 July 2023
 Review : 23 September 2023

8.2 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

8.3 The Employer will be entitled to review and make reasonable changes to the provisions of the Performance Plan from time to time for operational reasons. The Employer will be fully consulted before any such change is made.

8.4 The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case, the Employee will be fully consulted before any such change is made.

9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall-

9.1.1 Create an enabling environment to facilitate effective performance by the employee.

9.1.2 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee.

9.1.3 On the request of the Employee delegate such powers reasonably required by the Employee to enable him to meet the performance objectives and targets established in terms of this Agreement; and

9.1.4 Make available to the Employee such resources as the Employee may reasonably require from time to time, assisting him to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers of the Employer will have amongst others-

10.1.1 A direct effect on the performance of any of the Employee's functions.





- 12.2 Any disputes about the outcome of the Performance Evaluations shall within thirty (30) days of receipt of a formal written dispute from the Employee be mediated by a member of the Kouga Municipal Council, provided that such Councilor was not part of the evaluation panel contemplated in paragraph 7 herein, whose decision shall be final and binding on both parties.
- 12.1.1 The Mayor of the Employer within thirty (30) days of receipt of a formal written dispute from the Employee provided that where the dispute relates to the outcome of the performance evaluation, the Mayor shall appoint a member of Council to consider submissions on performance whose decision shall be final and binding.
- 12.1 Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/or any other matter provided for, shall be mediated by –

12. DISPUTE RESOLUTION

- 11.3.2 The Employee herewith acknowledge and agree that failure to comply with performance reporting periods, time frames and the submission of performance evidence shall impact on the ability of the Employer to comply with legislated and stipulated performance reporting.
- 11.3.1 It is herewith specifically agreed that the Employee shall utilize the performance management system of the Municipality on a continuous basis and the Employee shall ensure that performance reporting is completed within a period of eleven (11) working days immediately following any performance reporting period, unless otherwise stated herein, with the provision that where any performance information is subject to Audit, provisional performance reporting and the submission of performance evidence shall be completed within the stipulated reporting period.

11. PERFORMANCE REPORTING

- 10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in clause 10.1 as soon as is practically possible to enable the Employee to take any necessary action without delay.
- 10.1.2 Commit the Employee to implement or to give effect to a legitimate decision made by the Employer; and

MUNICIPAL MANAGER

1. _____
 2. _____

AS WITNESSES:

EMPLOYEE

Thus done and signed at _____
 November of 2022.

 Royal Municipality on this the 23 day

hereto.

14.1 The personal development plan of the Employee is attached

14. PERSONAL DEVELOPMENT PLAN

13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

13.1 The contents of this agreement and the outcome of any review conducted in terms of this agreement may be made available to the public by the Employer.

13. GENERAL

12.3 In the event that the mediation process contemplated above fails, clause 16 of the Contract of Employment shall apply.